

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING
THURSDAY, JUNE 25, 2020
OPEN MEETING VIA CONFERENCE CALL

OPEN SESSION

Gregory Slater, Chairman

MEMBERS ATTENDING:

Dontae Carroll
William H. Cox, Jr.
William C. Ensor, III
W. Lee Gaines, Jr.
Mario J. Gangemi
Cynthia D. Penny-Ardinger, Esq.
Jeffrey S. Rosen
John F. von Paris

STAFF ATTENDING:

Jeffrey Brown	Ebony Moore
Sarah Clifford	Mary O'Keeffe
Percy Dangerfield	John O'Neill
Donna DiCerbo	Will Pines
Allen Garman	James F. Ports, Jr.
David Goldsborough	Mike Rice
Chantelle Green	Bradley Ryon
David Greene	John Sales
Jim Harkness	Colin Sweetin
Natalie Henson	Christina Thompson
Meshelle Howard	Paul Trentalance
April King	Russ Walto
Lt. Col. Lucy Lyles	John Wedemeyer
Jeanne Marriott	Tim Wendt
Kimberly Millender, Esq.	Melissa Williams
Sushmita Mitra	Brian Wolfe
Kenneth Montgomery	

OTHER ATTENDEES:

Al Carr, Delegate, State of Maryland
Jaclyn Hartman, Director of Finance, MDOT
Erin Henson, Director of Public Affairs, MDOT
James Kruszynski, President, FOP Lodge 34
Luz Lazo, Reporter, The Washington Post
Sean Powell, Deputy Secretary, MDOT

At 9:05 a.m. Chairman Gregory Slater called the meeting of the Maryland Transportation Authority (MDTA) Board to order. With this open meeting being done via conference call, a roll call of participants was taken by Ms. Natalie Henson to ensure the minutes accurately reflected those persons on the call and to ensure a quorum of the Board was present.

APPROVAL – OPEN SESSION MEETING MINUTES OF MAY 21, 2020

Upon motion by Member Mario Gangemi and seconded by Member Dontae Carroll, the open session meeting minutes of the MDTA Board meeting held on May 21, 2020 were unanimously approved.

APPROVAL – CONTRACT AWARD

- **Contract No. KH-3038-0000 – I-95 ETL Northbound Extension Environmental Mitigation Phase II – Eccleston Mitigation Site**

Ms. Donna DiCerbo requested approval to execute Contract No. KH-3038-0000 – I-95 ETL Northbound Extension Environmental Mitigation Phase II – Eccleston Mitigation Site with NextEra Energy Marketing, LLC. in the bid amount of \$23,500,000.00. This is a sole source procurement and requires BPW approval as the contract exceeds the MDTA Board's delegated authority.

This project is to provide "Permittee-Responsible Mitigation" Services including the design and construction of Wetland and Stream Mitigation credits as part of the ETL NBE Permit Process. This is a sole source contract with NextEra to provide the PRM services. NextEra owns the rights to perform the mitigation on the Eccleston site and MDE and the U.S. Army Corps of Engineers agreed to using this site for part of MDTA's offsite mitigation for the ETL Program.

Upon motion by Member Mario Gangemi and seconded by Member Dontae Carroll, the Members unanimously gave approval to execute Contract No. KH-3038-0000 – I-95 ETL Northbound Extension Environmental Mitigation Phase II – Eccleston Mitigation Site.

- **Contract No. KH-3022-0000 – Clayton Road Overpass Replacement**

Ms. Donna DiCerbo requested contingent approval to execute Contract No. KH-3022-0000 – Clayton Road Overpass Replacement with The Six-M Company, Inc. in the bid amount of \$8,468,934.00.

The work to be performed under this contract is the replacement of the Clayton Road overpass at I-95 to accommodate the future Express Toll Lane Extension.

Upon motion by Member William H. Cox, Jr. and seconded by Member W. Lee Gaines, Jr., the Members unanimously gave contingent approval to execute Contract No. KH-3022-0000 – Clayton Road Overpass Replacement.

- **Contract Nos. AE-3046-0000 and AE-3047-0000 – AE 2018-01A – Comprehensive Project Planning**

Ms. Donna DiCerbo requested contingent approval of Contract Nos. AE-3046-0000 and AE-3047-0000 – AE 2018-01A – Comprehensive Project Planning as follows:

Contract AE-3046-0000 - AECOM - \$5,000,000.00; and
Contract AE-3047-0000 – Jacobs/Wallace Montgomery - \$4,000,000.00.

The services provided under these contracts will include project planning, environmental services and miscellaneous consulting services including revenue and expense forecasting, toll analysis, right-of-way/real estate services, travel forecasting, public relations, studies pertaining to operating systems and working on behalf of MDTA to review documents pertaining to traffic developed by others as directed by MDTA. Assignments may vary from providing travel forecasting data including transit use, developing secondary and cumulative effects analyses and conducting community involvement activities to completing environmental documents meeting the requirements of the National Environmental Policy Act (NEPA) and the Maryland Environmental Policy Act (MEPA), as applicable to MDTA projects. Consultants may also be required to provide supplemental staffing as needed. Specific assignments are expected to vary depending on MDTA's needs throughout the life of the contract.

Upon motion by Member W. Lee Gaines, Jr. and seconded by Member Mario Gangemi, the Members unanimously gave contingent approval of Contract Nos. AE-3046-0000 and AE-3047-0000 – AE 2018-01A – Comprehensive Project Planning.

APPROVAL – FISCAL YEAR (FY) 2021 FINAL OPERATING BUDGET

Ms. Christina Thompson requested MDTA Board approval of the Fiscal Year (FY) 2021 Final Operating Budget. The Trust Agreement requires the approval of a final budget on or before July 1.

The FY 2021 Final Operating Budget totals \$323,597,718. This represents a decrease of \$14,401,865, or 4.3%, below the FY 2021 Preliminary Operating Budget. The MDTA's position complement remains the same in FY 2021.

Changes from the FY 2020 Preliminary Budget include (1) a \$9.4 million decrease in personnel expenses as a result of not funding vacant positions; (2) a \$1.8 million reduction in contractual payroll due to the elimination of temporary toll collector positions due to All Electronic Tolling; (3) a \$1.6 million net decrease for vehicle operations and maintenance due to the deferral of replacement vehicles; (4) a \$1.1 million decrease in replacement and additional equipment, mainly computer replacements and police equipment; and (5) a \$0.8 million increase for the IVR system that is a carryover from FY 2020 in building and road repairs.

Upon motion by Member William C. Ensor, III and seconded by Member W. Lee Gaines, Jr., the FY 2021 Final Operating Budget was unanimously approved.

APPROVAL – DRAFT FISCAL YEAR (FY) 2021-2026 CONSOLIDATED TRANSPORTATION PROGRAM (CTP)

Ms. Jeanne Marriott requested MDTA Board approval of the Draft Fiscal Year (FY) 2021-2026 Consolidated Transportation Program (CTP).

The six-year FY 2021-2026 budget in the proposed CTP is \$2.8 billion. The proposed CTP reflects a net decrease in the six-year FY 2021-2026 budget of \$281.6 million. The net FY 2021-2026 decrease is the result of the following:

- Decrease in the six-year CTP budget by \$52.7 million for the Nice/Middleton Bridge.
- Decrease in the six-year CTP budget by \$114.6 million for the I-95 ETL Northern Extension.
- Increase in the six-year CTP budget by \$107.0 million for all projects except Nice/Middleton Bridge, I-95 ETL Northern Extension, and reserves.
- Decrease in the Allocated and Unallocated Reserves by \$221.3 million.
- The FY 2020 expenditures are projected to be \$449.8 million vs. \$429.5 million projected in the Final FY 2020-2025 CTP.

Upon motion by Member Jeffrey S. Rosen and seconded by Member Mario Gangemi, the Draft FY 2021-2026 CTP was unanimously approved.

APPROVAL – FINANCIAL FORECAST

Ms. Chantelle Green requested MDTA Board approval for the FY 2020 – FY 2026 Financial Forecast. Ms. Green updated the Board on the financial affordability of the FY 2021 Final Operating Budget and the Draft FY 2021-2026 CTP. Throughout the six-year forecast period, the MDTA remains above its financial goals and minimum legal standards.

Upon motion by Member John F. von Paris and seconded by Member Mario Gangemi, the financial forecast was unanimously approved.

APPROVAL – AMENDMENTS TO CODE OF MARYLAND REGULATIONS (COMAR) 11.07.05 MDTA PUBLIC NOTICE OF TOLL SCHEDULE REVISIONS

Mr. Bradley Ryon requested MDTA Board approval to proceed with the amendments to the Code of Maryland Regulations (COMAR) 11.07.05 MDTA Public Notice of Toll Schedule Revisions.

Mr. Ryon explained that a proposed action to amend COMAR 11.07.05 is needed to provide flexibility in managing dynamic tolled facilities while also protecting the public's best interest for pricing the use of these facilities. The changes establish the ability to set soft rate caps and define certain terms.

Upon motion by Member William H. Cox, Jr. and seconded by Member Dontae Carroll, the amendments to COMAR 11.07.05 was unanimously approved.

APPROVAL – FORMER ROBERT A. KENNEY PROPERTY – MC # 20-7041 – RESTRICTIVE COVENANT

Mr. John Wedemeyer requested MDTA Board approval to place restrictive covenants on a Conservation Area within the MDTA owned property (Former Robert A. Kenney Property – MC # 20-7041 – Carsins Run – Parcels 1 and 2) for environmental mitigation.

Mr. Wedemeyer explained that the property is a total of 2.654 acres, plus or minus and was acquired as part of the I-95 JFK Memorial Highway Project from Robert A. Kenny, by the MDTA in 1962 (State Roads Commission Plat No. 26580). He stated that the acquisition was only for the purpose of Highway Development and that MDTA will remain the owner in the after situation. The property is located I-95 - JFK North Bound: Station No. 643+50.00 to 654 +00.00, in Harford County, Maryland.

In accordance with the Real Property Article of the Annotated Code of Maryland Section 2-118 and MDTA’s Permits with the Department of the Army Permit No. CENAB-OPR-MN (MDTA/I-95 – Stage II/ETL NORTHBOUND EXTENSION) 2019-60846-M12 (“Permit”) issued by the U.S. Army Corps of Engineers, Baltimore District (“Corps” or “Baltimore District,” to include any successor agency), and permit No. 19-NT-0150/201960846 issued by the Maryland Department of the Environment (“MDE,” to include any successor agency), and in recognition of the continuing benefit to the permitted property, and for the protection of waters of the United States and/or the State of Maryland and scenic, resource, environmental, and general property values, MDTA placing certain restrictive covenants on a Conservation Area within the Property, in order that the Conservation Area shall remain substantially in its natural condition forever. This is a requirement as stated within the permit and any failure to comply with those terms could result in the I-95 ETL Project being shut down.

Upon motion by Member Mario Gangemi and seconded by Member William H. Cox, Jr., restrictive covenants on a Conservation Area within the MDTA owned property (Former Robert A. Kenney Property – MC # 20-7041 – Carsins Run – Parcels 1 and 2) for environmental mitigation was unanimously approved.

APPROVAL – FORMER JAMES R. TILLMAN AND JOYCE H. TILLMAN PROPERTY – MC # 20-7042 – RESTRICTIVE COVENANT

Mr. John Wedemeyer requested MDTA Board approval to place restrictive covenants on a Conservation Area within the MDTA owned property (Former James R. Tillman and Joyce H. Tillman Property – MC # 20-7042) for environmental mitigation.

Mr. Wedemeyer explained that the property is a total of 2.008 acres, plus or minus, were acquired as part of the I-95 JFK Memorial Highway Project from James R. Tillman and Joyce H. Tillman, by the MDTA by way of deed dated May 15, 1963 (Liber 618 Page 587). The acquisition was only for the purpose of Highway Development and MDTA will remain the owner in the after situation. The property is located I-95 - JFK North Bound: Station No. 560+08.34 to 561 +68.67, in Harford County, Maryland.

In accordance with the Real Property Article of the Annotated Code of Maryland Section 2-118 and MDTA's Permits with the Department of the Army Permit No. CENAB-OPR-MN (MDTA/I-95 – Stage II/ETL NORTHBOUND EXTENSION) 2019-60846-M12 ("Permit") issued by the U.S. Army Corps of Engineers, Baltimore District ("Corps" or "Baltimore District," to include any successor agency), and permit No. 19-NT-0150/201960846 issued by the Maryland Department of the Environment ("MDE," to include any successor agency), and in recognition of the continuing benefit to the permitted property, and for the protection of waters of the United States and/or the State of Maryland and scenic, resource, environmental, and general property values, MDTA placing certain restrictive covenants on a Conservation Area within the Property, in order that the Conservation Area shall remain substantially in its natural condition forever. This is a requirement as stated within the permit and any failure to comply with those terms could result in the I-95 ETL Project being shut down.

Upon motion by Member William H. Cox, Jr. and seconded by Member W. Lee Gaines, Jr., restrictive covenants on a Conservation Area within the MDTA owned property (Former James R. Tillman and Joyce H. Tillman Property – MC # 20-7042) for environmental mitigation was unanimously approved.

UPDATE – MAJOR PROJECTS

Mr. Will Pines updated the MDTA Board on the status of Major Projects in the Capital Program. Mr. Pines explained that as of June 17, 2020, there are thirty (30) major projects in the Capital Program, twelve (12) of the projects are under construction, ten (10) are in procurement, and eight (8) are under design. He further explained that this summary only includes projects with funding for construction in the Consolidated Transportation Program and includes six (6) projects valued in excess of \$100 million. In addition, there are six (6) projects from the \$1.1 billion I-95 ETL Northbound Expansion program.

UPDATE – MDTA 2020 BOND SALE

Pursuant to Section 4(e) of Resolution 20-04, Mr. James F. Ports, Jr., gave an update of the MDTA's most recent bond sale. The bond sale generated approximately \$493 million of proceeds, net of the costs of issuance.

Mr. Ports also updated the MDTA Board on MDTA's credit ratings that were updated as part of the bond sale process, with Moody's, S&P, and Fitch all affirming the MDTA's ratings at Aa2, AA-, and AA, respectively. Both Moody's and Fitch maintained Stable outlooks on the credit ratings, however S&P continued with Negative outlooks on the MDTA and the Transportation Sector in response to COVID-19.

Lastly, Mr. Ports advised the MDTA Board that considering the successful bond sale, efforts to pursue a short-term bank line of credit have ceased. Resolution 20-03 authorized a bank loan for up to \$300 million to provide a short-term capital funding option if long-term financing was not secured before June 30, 2020.

UPDATE – AUDIT COMMITTEE

Member William H. Cox, Jr. presented an update on the Audit Committee meeting that took place on June 11, 2020. The Office of Audits is on track to complete the fourteen (14) audits in the Fiscal Year 2020 Audit Plan. Of these ten (10) are complete, two (2) were combined, and three (3) are in process. Internal audit reports for: Controls Over Inspection of Structures and Facilities; Cybersecurity and Data Privacy; Validation of Waivers for Video-tolls and Civil Penalties; and, Remediation Status of Prior Audit Findings were presented to the Committee and they were satisfied with the results of those audits.

UPDATE – EXECUTIVE DIRECTOR

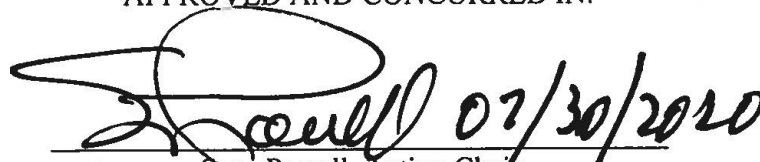
Mr. James F. Ports, Jr. gave updates on MDTA’s high visibility enforcement efforts at the ICC; the MDTA Police 2019 Officer of the Year; ETL Park and Ride Projects; the ramp closure from Moravia Road to SB I-95 due to the June 17 Vehicle Fire in the lot below the ramp; the reopening of some of the MDTA’s Customer Service Centers on June 15 with limited capacity; and kicking off of the annual Bay Bridge summer travel campaign.

The Chairman opened for public comment and Mr. James Kruszynski provided information regarding a request from the Department of Management and Budget (“DMB”) to re-negotiate the current Collective Bargaining Agreement with FOP Lodge 34.

There being no further business, the meeting of the MDTA Board was adjourned by consensus at 10:54 a.m.

The next MDTA Board Meeting will be held on July 30, 2020 at 9:00 a.m. via Open Meeting Conference Call.

APPROVED AND CONCURRED IN:


Sean Powell, Acting Chair